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FEDERAL COMMUNICATIONS COMMISSION OF A SECRETARY
Washington, D.C. 20554

In the Matter of )

Implementation of Section 9 ) MD Docket No. 94-19 of the Communications Act )

Assessment and Collection of )

Regulatory Fees for the 1994 )

Fiscal Year )

Comments of the Personal Radio Steering Group, Inc.

The Personal Radio Steering Group (PRSG) is an all-volunteer not-for-profit corporation established in 1980 by licensees in the General Mobile Radio Service (GMRS, FCC Part 95A) to provide services to and to serve as an advocate for the GMRS personal-use community. The PRSG is the continuation of the GMRS Task Area of the Congressionally-chartered FCC Personal Use Radio Advisory Committee (PURAC, 1976-1978).

The PRSG has written and distributed more than 300 publications on GMRS licensing, technology and operating practices. PRSG's flagship publication, the <u>GMRS National Repeater Guide</u>, lists more than 4000 GMRS repeaters, their sponsors, technical characteristics and detailed coverage information. Now in its tenth edition, the <u>Guide</u> has become the essential reference for this cooperative, nonprofit communications network for licensed

private individuals. PRSG also works closely with major land mobile equipment manufacturers to disseminate instructional materials for radio purchasers.

The PRSG tracks all GMRS applications and grants. We provide 24-hour on-line access to the national licensing database of over 30,000 stations, in support of the FCC requirement [47 C.F.R. 95.7(a)] that all system licensees must cooperate in selection and use of the available GMRS channels. GMRS is currently experiencing explosive growth, with more license applications filed in the last nine months than in the entirety of 1991 and 1992 combined.

## FCC Must Establish the Appropriate Fee for GMRS Personal Licensees.

The FCC Rules [47 CFR 95.5] permit only individual persons to obtain a new license in the General Mobile Radio Service, or to significantly modify an existing SMRS license. In the <u>Report and Order</u> in PR Docket 87-265 (October 1988), the FCC Rules governing the GMRS were modified to clearly establish that this service is intended primarily for individual persons for their personal and family communications. "The GMRS is not and should not become the 'other' Business Radio Service." [R&O at para. 16.]

We accept and concur with the concept, as stated in the NPRM (para. 1), that GMRS personal licensees should share in the burden of the FCC's costs

"incurred in carrying out its enforcement activities, policy and rulemaking activities, user information services, and international activities."

We also concur with the intent (NPRM, para. 2) that

"the implementation of regulatory fees will further the National Performance Review goals of reinventing Government by requiring beneficiaries of Commission services to pay for such services."

Inherent to this concept of "pay as you go" (or perhaps better, "pay as you use") is that there should be an <u>equitable</u> sharing of this burden of regulatory fees (or "user fees") amongst those beneficiaries.

Only individual persons are eligible to obtain a license in the GMRS. The only other persons eligible to operate under that license are the immediate family members of the licensee residing in the same household [47 CFR 95.179(a)]. The GMRS is truly a "family radio service."

Some non-personal GMRS licenses were "grandfathered" by the changes in rules adopted in the R&O in Docket 87-265. The comments below are directed to apply only to personal licenses in the GMRS, and not to those other grandfathered licenses.

The General Mobile Radio Service can be characterized as being comprised of a large number of small entities (individuals and their families). Based on our extensive and continuing review of applications for new GMRS licenses, we have determined that most typical first-time purchasers of GMRS radios today acquire only two or three radios, and that they intend to communicate primarily between their own family members. By comparison, the other Private Land Mobile Radio (PLMR) Services are typically comprised of larger licensees, each typically with many multiples of persons operating under each single license grant. (This also generally characterizes the "grandfathered" non-personal licenses in the GMRS.)

Moreover, the typical entities in most of these other PLMR
Services exist primarily for the purpose of generating or
supporting commercial activities. (Exempted by statute or
proposed for exemption under this NPRM are many of the entities
in these other PLMR Services which are not engaged in commercial
activity, such as local government units, public safety agencies,
emergency and medical-provider entities, and non-profit
entities. Also exempted by statute are individual licensees in
the Amateur Radio Service, under which communications generating
or supporting the commercial activities of third parties are also
prohibited.)

In substantial contrast, the <u>family</u> exists to provide nurturing, shelter, education, moral and religious training, and sanctuary — activities which can hardly be characterized as "commercial." Indeed, many entities which provide these same social functions as "family surrogates" or "family supplements" happen to be those which are specifically exempted by statute from these new user fees, or which hold non-profit status and are proposed for exemption from these same fees (NPRM at para. 14).

However, under the proposals made in this NPRM, the financial burden to be imposed on a <u>per-license</u> basis for entities with many dozens or even hundreds of radio operators (employees, associates, partners, members, etc. of the primary licensee) is identical to that (\$7 per year) to be imposed on <u>each</u> individual licensee in the GMRS.

That can hardly be characterized as being an equitable sharing of this burden.

We request that the financial burden to be imposed on GMRS

personal licensees be reduced from \$7 per year to \$1 per year.

This would add only \$5 to the cost of a five-year GMRS license issued to an individual person, not the \$35 which the proposed \$7 per year fee would add.

The Commission has the authority under the statute to reduce the fees for GMRS personal licensees, since the specific fees for

the BMRS (as a shared-use service) are not on the statutory schedule (NPRM at para. 53).

Moreover, the Commission already distinguishes between those GMRS licenses issued to individual persons, and those GMRS licenses issued to non-personal entities. Therefore, little additional impact on Commission processing of applications, to distinguish those eligible for a reduced (\$1/year) user fee from those which would be subjected to the fee currently proposed in the NPRM (\$5/year), would be expected.

## A Higher Licensing Fee Could Increase the Problem of Unlicensed Operation.

The explosive growth of GMRS is due in large part to the publicity given to the service in recent consumer electronics catalogs and other consumer-oriented publications, to direct mailings to persons identified as mail-order purchasers of personal-use and family-based electronic equipment, and by sales through local consumer electronics stores.

This increase in growth has unfortunately led to increased unlicensed GMRS operations, despite efforts by the PRSG and by some of the radio equipment manufacturers to encourage proper FCC licensing.

If the cost of a GMRS license were to double (which would be the net effect of imposing the proposed \$35 user fee on top of

the current \$35 application fee), the problem of unlicensed operation would inevitably become worse. The proposed \$70 (total) fee actually approaches the cost of a single GMRS transceiver. (Some recent direct-mail solicitations advertise GMRS handheld transceivers for a little as \$89.)

Indeed, we believe that the Commission might actually raise more money by a merely \$40 combined licensing/user fee (\$35 for the application fee, \$5 [as \$1 per year for a five-year license] for the user fee) than with the \$70 combined licensing/user fee as proposed under this NPRM.

Moreover, our experience has shown that compliance with the Commission's operating requirements (such as pre-transmission monitoring) is much greater amongst properly licensed stations.

## In Summary:

We request that the Commission reduce the regulatory fee for GMRS <u>personal</u> licensees to just \$1 per year.

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